



FISCAL MEMORANDUM

SB 655 - HB 914

March 7, 2023

SUMMARY OF BILL AS AMENDED (004746): Authorizes the court to require, as a condition of allowing a child to remain with their parents or guardian when the child is under the age of three and has been found to be dependent and neglected and diagnosed with neonatal abstinence syndrome, submission of documentation to the Department of Children's Services (DCS) of compliance with preventative pediatric care consistent with the periodicity schedule of the American Academy of Pediatrics until the child reach three years of age, and requires parents or guardians to submit to drug testing at regular intervals at the parent or guardian's expense. Establishes that DCS may initiate a visit to ascertain the well-being of the child if documentation provided contains allegations of abuse or neglect.

FISCAL IMPACT OF BILL AS AMENDED:

Increase State Expenditures – \$279,200/FY23-24 and Subsequent Years

Increase Federal Expenditures – \$50,100/FY23-24 and Subsequent Years

Assumptions for the bill as amended:

- According to information included in the Department of Health's *Neonatal Abstinence Syndrome Surveillance Annual Report 2020*, there is currently an estimated 861 children who would qualify to have the required well-baby routine examinations.
- For purposes of this analysis, it is assumed that this number remains constant.
- The periodicity schedule of the American Academy of Pediatrics recommends 12 exams for a child from birth to three years of age, which averages to four (12 exams / 3 years) exams per year.
- DCS will be required to process and analyze 3,444 (861 x 4 exams) exam documentations per year.
- Based on DCS's *Annual Report: State Fiscal Year July 2021-June 2022*, the average time it takes a child in DCS custody to reach permanency is about one year.
- It is assumed that once a child reaches permanency, DCS will no longer have a case worker actively working their case.
- Therefore, one third of the cases, specifically those within their first year, will already have a case manager assigned to them.
- Assuming each document takes one hour to properly process and analyze, this will create 3,444 additional work hours for DCS, one third of which will be covered by existing case managers.

- Therefore, there will be 2,296 ($3,444 \times 2/3$) new work hours created, which would create the need for two (2,296 total hours / 2,000 work hours per year) new employees.
- Two new Administrative Services Assistants will create an increase in expenditures of \$124,980 [$(\$47,304 \text{ salary} + \$15,186 \text{ benefits}) \times 2 \text{ positions}$] in FY23-24 and subsequent years.
 - 44 percent, or \$54,991 ($\$124,980 \times 44\%$) DCS state funding,
 - 10 percent, or \$12,498 ($\$124,980 \times 10\%$) Title IV-E federal funding, and
 - 46 percent TennCare funding, which is comprised of
 - \$37,648 ($\$124,980 \times 46\% \times 65.485\%$) federal funding and
 - \$19,843 ($\$124,980 \times 46\% \times 34.515\%$) state funding.
- It is assumed that the interval at which drug testing will be conducted will be monthly.
- Pursuant to the proposed legislation, drug testing will be at the parent or guardian's expense; however, it is assumed that 20 percent of these individuals will be indigent and DCS will be required to cover these costs.
- It is assumed that one parent or guardian of each of the 861 children will be required to submit to a drug test, 172 ($861 \times 20\%$) of which will be covered using state expenditures.
- The average cost for a drug test is estimated to be \$99.
- The total increase in state expenditures associated with the drug tests will be \$204,336 ($\$99 \times 172 \text{ individuals} \times 12 \text{ months}$) in FY23-24 and subsequent years.
- The total increase in state expenditures as a result of the proposed legislation is \$279,170 ($\$54,991 + \$19,843 + \$204,336$) in FY23-24 and subsequent years.
- The total increase in federal expenditures as a result of the proposed legislation is \$50,146 ($\$12,498 + \$37,648$) in FY23-24 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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